potentially viable sick units without reference to RBI both in the large and small scale sector.

(5) Revival of sick industrial units is also done by amalgamation/merger of sick units with healthy units. Tax benefits are given under Section 72 (A) of the Income Tax Act, 1961 to the healthy company for revival of the amalgamating sick unit.

(6) Government has set up the National Renewal Fund which would, inter-alia, provide for payment of compensation to workers affected by industrial restructuring.

(7) On the advice of the Government of India, Reserve Bank of India has set up State Level Inter-Institutional Committees (SLIICs) in all States under the Chairmanship of Secretary, Industries Department of the concerned State Governments for working out a rehabilitation package for revival of viable sick small scale units.

(8) Financial assistance in the form of a long term equity type assistance upto Rs. 1,50,000 to units with a project cost not exceeding Rs. 10 lakhs at a nominal service charge of one per cent per annum is also available to potentially viable sick small scale industrial units from the National Equity Fund set up in August, 1997.

(9) Small Industries Development Bank of India (SIDBI) has been established to function as an Apex Bank for tiny and small scale industries.

A Separate Refinance Scheme for Rehabilitation (RSR) is being managed by SIDBI for revival of potentially viable sick small scale industrial units.

New Guidelines for PSUs

598. SHRI RAMSINH RATHWA : Will the PRIME MINISTER be pleased to state :

(a) whether Government have issued any guidelines to the Public Sector Undertakings to ignore all the earlier guidelines, if the Board of Directors felt so;

(b) if so, the details thereof and whether the Board has to record only for not adopting the guidelines; and

(c) when it came into force, and what are the reasons to issue the new guidelines for the Public Sector Undertakings ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI) : (a) to (c) The Department of Public Enterprises has issued an Office Memorandum on the 8th April, 1991 clarifying that instructions issued by the Government to Public Sector Undertakings broadly fall in two categories, namely, 'Presidential Directives' and 'Guidelines'. The presidential directives are mandatory while guidelines are advisory in nature. In the case of guidelines, the Board of Directors of the PSUs have the discretion not to adopt them for reasons to be recorded in writing and the board resolution on the subject giving the reasons therein is required to be forwarded both to the concerned administrative Ministry/ Department and the DPE. The purpose behind the aforesaid OM is to reduce the number of guidelines to the barest minimum so that PSUs can function with the required autonomy and that the Government interface with them is only on very important issues.

UK's Interest in Exports of Indian Products

599. CHOWDHRY HARI SINGH : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that a number of British businessmen had recently shown keen interest in joining hands with India for developing, marketing, infrastructure and technology for promoting export of Indian products Worldwide;

(b) whether they have also expressed reservations in regard to implementation of the policy, procedural bottlenecks in relation to the disinvestment of capital since these were repeatedly mentioned by them to the high powered Indian Delegation which visited that country recently;

(c) if so, what is the reaction of Government thereto; and

(d) whether UK firms also expressed keen interest in investing in India, if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir. The New Industrial Policy, 1991 and the other economic liberalisations announced

by Government have generated considerable interest amongst foreign investors from several countries including those from U. K.

(b) and (c) In the wake of recent liberalisation measures, the Reserve Bank of India expeditiously approves, on a near-automatic basis, disinvestment proposals from foreign investors under FERA, 1973.

(d) The total foreign direct investment in India proposed by British companies/investors in the foreign collaboration approvals in 1990 was Rs. 90.67 million and in 1991 it has grown up to Rs. 321.00 million, Rs. 1176.7 million in 1992, and Rs. 3796.8 million in the first six months of 1993.

Establishment of Factories by NRIs and Foreign Companies in India

600. SHRI VITHALBHAI M. PATEL: Will the PRIME MINISTER be pleased to state:

(a) the number of foreign companies and NRIs who have applied to set up industries in the country;

(b) the number of such applications cleared;

(c) the estimated amount of investment for setting up industries; and

(d) the number of applications rejected together with the reasons therefor?

THE MINISTRY OF STATE IN THE MINISTER OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI): (a) to (c) Since the announcement of New Industrial Policy, 1227 applications received for setting up of industries involving investment by foreign companies including NRI investment have been approved till the end of June, 1993. Total foreign direct investment envisaged in these proposals is Rs. 8252.87 crores.

(d) A total number of 40 applications for foreign investment including NRI investments were rejected during this period for various reasons, such as :—

the proposals were sketchy and lacked essential details;

the proposals were not in conformity with the prescribed norms;

the value addition in respect of 100% EOUs being very low;

terms of payments were very high etc.

Expert Committee to Restructure PSUs

601. SHRI S. AUSTIN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government are considering to set up Expert Committees for restructuring of the sick public sector undertakings in the service sector;

(b) if so, whether these Committees are proposed to work out a revival package for these undertakings; and

(c) if so, the details thereof?

THE MINISTRY OF STATE IN THE MINISTER OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) and (c) Do not arise.

British Assistance to India on Privatisation

602. SHRI KAMAL MORARKA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the British Prime Minister during his recent visit to India had offered to share British expertise with India on the Privatisation of Public Sector Undertakings;

(b) if so, what is Government's reaction thereto; and

(c) to what extent British business delegation reacted to the liberalisation process in India?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY) (SHRIMATI KRISHNA SAHI): (a) to (c) The information is being collected and will be laid on the Table of the House.

Production Problem in Haridwar Unit of BHEL

603. SHRI KAMAL MORARKA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the heavy electrical equipment division of Haridwar unit of